

PROSPECTUS: **Chsp'a'aqhalqwtsn LOGGING UNIT**  
COEUR D'ALENE INDIAN RESERVATION

THIS TIMBER IS NOT SUBJECT TO EXPORT RESTRICTIONS OR SUBSTITUTION LAWS.

INTRODUCTION

Coeur d'Alene Tribal Forestry offers for sale by sealed bid, in accordance with 25 CFR 163, an estimated 3,267 MBF of sawlogs and 7,956 tons of pulp and tonwood known as the Chsp'a'aqhalqwtsn Logging Unit. Bids will be opened at the Coeur d'Alene Tribal Forestry Building, 402 Anne Antelope Avenue, Plummer, Idaho 83851 on August 29, 2012. No bids will be accepted after 10:00 A.M. local time except as allowable by Tribal Employment Rights Ordinance (TERO) and CDA Resolutions 346(2003) and 279(2004). Only bids from entities that have a current, fully signed Coeur d'Alene Tribal Business License will be accepted.

This prospectus is furnished to acquaint you with the principal requirements and features of this logging unit. If its wording or meaning disagree with the contract, the contract is final and binding. No guarantee is made of estimated volumes or timber quality mentioned herein. You may wish to discuss complete contract obligations at the Tribal Forestry Office near Plummer, Idaho at (208) 686-1315. Arrangements may be made to examine the sale area and you are urged to make such examination and to make an independent assessment to determine your bidding decisions. Each bidder must be prepared to assume full responsibility for the success of the operation under contract terms at the price bid.

BIDDING PROCEDURES

Acceptable bids must be submitted in duplicate, on forms provided, in a sealed envelope marked outside "Proposal for Timber, Chsp'a' Logging Unit" and sent to the Superintendent, Coeur d'Alene Agency, P.O. Box 287, Plummer, ID 83851, or hand delivered to the Coeur d'Alene Tribal Forestry Building, 402 Anne Antelope Avenue, Plummer, ID 83851. Each bid must state the price per net thousand board feet (MBF) for sawlogs using Scribner Decimal C Revised log scale that will be paid for sawlogs cut and scaled. Minimum bid prices for the Chsp'a'aqhalqwtsn Logging Unit are:

789 MBF Douglas-fir/western larch sawlogs at \$193/MBF  
928 MBF lodgepole pine/Engelmann spruce/subalpine fir sawlogs at \$178/MBF  
37 MBF western redcedar sawlogs at \$373/MBF (non-biddable)  
1,513 MBF grand fir/hemlock/other species sawlogs at \$182/MBF  
5,788 tons all species tonwood at \$9.50/ton (non-biddable, required removal)  
2,168 tons all species pulp at \$1.00/ton (non-biddable, optional removal).

**Bidders must submit a fully signed copy of their Tribal Business license with their bid. Bidders claiming Indian Preference must submit verification of TERO Indian Preference Logging Operator certification to be considered for Indian Preference.**

DEPOSIT WITH BID

A deposit with bid, in the amount of eighteen thousand five hundred dollars (\$18,500.00) in the form of a cashier's check payable to the Bureau of Indian Affairs must accompany each sealed bid. The deposit of the apparent high bidder and of others who submit written requests to have their bids considered for acceptance will be retained pending acceptance or rejection of bids. All other deposits will be returned.

PERIOD OF CONTRACT

The contract requires 500 MMBF be cut by December 31, 2012 and that all additional designated timber shall be cut and paid for on or before December 31, 2013. All other obligations shall be completed by July 31, 2014.

## LOCATION

The sale area is located in portions of T5257, T5259, T5260, T5262, & T5582 with approximately 213 acres to be treated.

Lots 9, 10, 11, 12, & S½S½ of Section 5, Lot 11 & SE¼SE¼ of Section 6, E½ of Section 8, Lots 2, 3, 4, NW¼, NW¼NE¼, & W½SE¼ of Section 9, Lots 1, 2, 3, 6, 7, 8, N½N½, & NW¼SE¼, & SW¼NE¼ of Section 17, N½NE¼ of Section 18; all Township 47 North, Range 1 West, Boise Meridian, Kootenai County, Idaho.

## TIMBER CRUISE SUMMARY

The following cut volume data in Table 1 was estimated from 116 variable plots on approximately 213 acres.

**Table 1. Timber Cruise Summary of Cut Species / Harvest Unit**

HARVEST UNIT	ACRES	Gross MBF	Net MBF	% Defect	Net BF/ Log	Avg. DBH	Tonwood (4 - 6") Tons	Pulp (2 - 4") Tons
1 (Ground)	24	359.4	307.2	8.5	44	13	336	132
2 (Ground)	75	1,271.4	1,125.2	8.9	48	13	901	373
3 (Ground)	16	291.6	262.7	9.0	36	12	417	167
4 (Ground)	23	772.0	680.8	8.8	44	14	722	241
4 (Cable)	20	341.4	290.1	8.5	33	11	358	124
5 (Ground)	19	214.4	200.7	9.4	23	10	1,108	534
6 (Ground)	36	424.1	400.0	9.4	28	11	1,936	597
TOTAL	213	3,674.3	3,266.7	8.9			5,778	2,168

The above plot cruise data is based on DBH and preferred lengths of 16.5 feet, with some length adjustments to clear defect or to utilize trees to the top diameter of 6.0" on all species. Table 2 shows the DIB classes/species/size classes distributed by 16-foot nominal log lengths.

**Table 2. Appraised Sawlog Rates and Volume by 16 Foot Log Size Summary (MBF) – All Harvest Units**

Species	Appraised \$/MBF	Small End Diameter Inside Bark						TOTAL
		6"-7"	8"-9"	10"-12"	13"-15"	16"-18"	19"+	
<b>DF/WL</b>	\$193	131.1 17%	328.9 42%	197.8 25%	54.8 7%	47.8 6%	28.7 4%	<b>789.1</b> 100%
<b>LP/ES/AF</b>	\$178	330.6 36%	309.9 33%	189.7 20%	31.8 3%	21.0 2%	45.2 5%	<b>928.2</b> 100%
<b>GF/H/OS</b>	\$182	221.6 15%	276.1 18%	582.3 38%	134.5 9%	123.3 8%	174.8 12%	<b>1,512.6</b> 100%
<b>WRC</b>	\$373*	3.5 10%	6.1 17%	2.9 8%	2.4 7%	3.2 9%	18.5 51%	<b>36.6</b> 100%
<b>TOTAL</b>	<b>---</b>	<b>686.8</b> <b>21%</b>	<b>921.0</b> <b>28%</b>	<b>972.7</b> <b>29%</b>	<b>223.5</b> <b>7%</b>	<b>195.3</b> <b>6%</b>	<b>267.2</b> <b>8%</b>	<b>3,266.5</b>

\*WRC is required for removal and non-biddable.

Weight wood includes pulp (2.5"- 4.0" DIB), or logs with more than 66% defect and tonwood (4.0"- 5.5" DIB). Tonwood (required removal) and pulp (optional removal) are at non-biddable rates of \$9.50/ton and \$1.00/ton respectively. There are an estimated 5,788 tons of tonwood and 2,168 tons of pulp.

#### TIMBER MARKING

This sale has trees marked for leave in ORANGE (on 2 sides and/or full bands near eye level of the bole and a butt mark at the base of the tree). The cutting blocks are shown on the Exhibit A Map.

**The purchaser will be penalized for cutting designated leave trees even if the cutting is accidental. Trees in the cutting block containing less than the minimum tonwood specifications must be cut and may be removed at the purchaser's option (if pulp). Leave designations for any tree may be cancelled and/or changed by the Officer in Charge at any time.**

#### TIMBER SALE ACCESS

Using Idaho State Route 3, the timber sale area can be accessed via the Canary Creek Road as seen on the Exhibit B Map. The harvest area is approximately 25 miles northeast of St. Maries, Idaho. The State of Idaho Department of Lands (IDL) has permitted access to the harvest area, and Purchaser must comply with IDL road use standards. A new road is planned to be constructed prior to timber harvest to allow access cutting Units 5 and 6 from the South Latour Creek Road.

#### ROAD MAINTENANCE

Road repairs include blading to remove logging slash and fill any ruts or other damage on approximately 9.3 miles of logging roads. Rolling dips must be installed as directed by the Officer in Charge.

Final maintenance will be required on an estimated 9.3 miles of logging roads and 7.7 miles of Canary Creek Road that may include removing berms, filling in ruts/mud holes, repairing rolling dips, and blading the road surface.

### MILL DISTANCES

The distance from the midpoint of the sale area to Idaho State Route 3 is approximately 8 miles. The highway distance to various local mills is included in Table 3 below.

**Table 3. Distances to local Mills**

Mill Name & Location	Distance	Mill Name & Location	Distance
Swan Lake Fiber (St. Maries)	24.3 mi	Idaho Forest Group (Chilco)	42.0 mi
Potlatch (St. Maries)	24.9 mi	Stimson (Plummer)	46.1 mi
Stimson (St. Maries)	25.5 mi	Bennett Lumber (Princeton)	63.7 mi
Idaho Veneer (Post Falls)	37.6 mi	TRICON Lumber (St. Regis, MT)	84.0 mi

### EROSION CONTROL

The purchaser shall maintain roads and landings in passable condition, with cross drainage installed suitable to handle spring run-off prior to seasonal move-out. Skid trails shall be waterbarred seasonally. At the completion of operations, roads shall be smoothed and cross ditched as specified by the Officer in Charge.

### LOGGING RESTRICTIONS

Unless logs are pre-bunched, skidding equipment shall be equipped with at least 75 feet of operating winch-line and shall not exceed 12 feet in width. Skidding equipment is restricted to designated or existing skid trails, landings or roads. Existing skid trails that parallel any intermittent stream shall not be used if they are located within 25 feet of a Class III stream. Skid trails that cross streams or seeps shall not be used without approval by the Officer in Charge and protective measures for the channel and banks. Liquidated damages will be charged for any unauthorized stream crossing in the amount of \$500.00 per crossing. Operations shall be suspended during periods of high soil moisture, as determined by the Officer in Charge. Damage from other unauthorized activities or negligence by the purchaser will be assessed at ten cents per square foot (\$4,356/acre) of area affected.

Equipment must be maintained to prevent leaking fuel, lubricant or hydraulic fluid, including during re-fueling and adding or changing lubricants or fluids.

Warning signs will be required on Canary Creek Road and Idaho State Route 3 during periods of active hauling. The Officer in Charge may require special measures to ensure safe working conditions. Units 5 & 6 will be accessed by a road planned to be constructed by the IDL by December 31, 2012. In the event the road is not constructed, the units may be removed from the Contract or alternate access/logging may occur and a contract modification will occur at that time.

### SCALING PROVISIONS

Scaling shall be by third party scaling service authorized to scale Indian logs (or by USDA Forest Service scalers at approved sites), except that waste material as defined in B7.4 shall be scaled by Tribal Forestry. The Purchaser shall employ and pay scaling charges directly to the scaling service, unless the Approving Officer authorizes the Purchaser to deposit funds with the Coeur d'Alene Tribe for payment to the scaling service.

Third party scaling by the consuming mill may be authorized by the Approving Officer through approval of a Consumer Scale Authorization and Third Party Scaling Agreement with the consuming mill(s).

### SLASH AND CULL TREE DISPOSAL

The Purchaser is relieved of the responsibility for burning slash contingent on payment of \$31,400.00. Slash generated in landings shall be piled at least 30 feet from leave trees and fire lines. Slash remaining from previous harvest operations or from insect, wind, or other damage shall be re-piled with current harvest slash. The Officer in Charge may require re-piling if slash piles contain excessive dirt.

Slash piles (within the harvest units, non-landing) shall be located outside the drip ring edge of the nearest trees, a distance of at least 1½ times the average diameter of the slash pile. When stand conditions make compliance with

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the preceding statement impractical, slash piles shall be kept less than 10 feet in diameter and spaced from the leave trees as far as possible, but no less than 10 feet. Felled trees shall be limbed and topped in the woods in Units 1 – 4 and whole tree skidded in Units 5 and 6.

#### NOXIOUS WEEDS

Skidding equipment shall be washed seasonally prior to move-in. Washing shall be sufficient to remove weed seeds from the equipment.

#### UTILIZATION

Timber shall be cut to fully utilize the merchantable material and to yield the maximum stumpage value. Timber cut into lengths or products of lesser value shall be scaled as if cut to yield the maximum value of products covered by the contract.

The purchaser shall ensure that all merchantable material that is designated to be cut is removed from the sale. All waste in improper long butts, tops, broken and partially sound logs, missed logs or trees, and trees designated for cutting that are not removed shall be scaled by Tribal Forestry and paid for by the purchaser.

#### PAYMENT FOR TIMBER

The purchaser shall pay for timber in advance of cutting through advance deposits in the form of cashier's check or electronic funds transfer. Payments and deposits are due on the date specified in the written requests from the BIA/Tribe.

#### ADVANCED DEPOSIT

The contract requires that timber will be paid for in advance of being cut. This shall be accomplished by maintaining an account of advance deposits, which the Purchaser will pay into at regular intervals during the course of operations to maintain a minimum balance.

After the bid has been accepted by the Approving Officer, a required Logging Plan meeting will be held with the Purchaser to determine the specifics of the planned harvest operation. The minimum Advance Deposit will then be calculated by multiplying the average volume of the monthly production during the Purchaser's usual or average planned season of operations by the bid price for all sawlogs and products.

Refunds of surplus account balances shall be made to the purchaser upon closure of the sale.

#### PERFORMANCE BOND

A performance bond in the amount of thirty five thousand dollars (\$35, 000.00) shall be furnished by the Purchaser within 30 days of the acceptance of the bid, before contract approval, and shall be retained for the duration of the contract to ensure satisfactory performance by the Purchaser. The bond may be in the form of a cashier's check, Irrevocable Letter of Credit, or other form acceptable to the Approving Officer.

#### TRIBAL EMPLOYMENT RIGHTS ORDINANCE (TERO)

The Coeur d'Alene Tribe operates under an Indian preference labor ordinance. The TERO requires that Indian subcontractors be given preference for hiring. Before bidding, prospective bidders should contact the TERO office to obtain full information regarding qualifications, availability and other requirements for Indian subcontractors to claim TERO preference. All bidders are required to obtain a Coeur d'Alene Tribal Business license prior to submitting a bid. Loggers submitting a bid as an Indian Preference Logger must comply with CDA Resolution 279 (2004) and be certified annually.

Business licenses can be obtained from the TERO office indicated below. The purchaser and any subcontractors will be required to submit a TERO compliance plan to the TERO director for approval and a fully signed copy to Tribal Forestry prior to commencement of operations each season.

Coeur d'Alene Tribal Employment Rights Office (TERO)  
P. O. Box 408, 850 A Street  
Plummer, ID 83851  
Telephone: (208) 686-6107

### ADDITIONAL REQUIREMENTS

Cable yarding is required on Unit 4 (approximately 20 acres) as seen on Exhibit A Map. The yarder must be able to reach at least 1,400 feet external yarding distance and the carriage must maintain a fixed position during lateral yarding. Any tailholds that are not adequately protected and/or removed may be charged as unauthorized cutting and charged as waste scale. Location of skidding corridors must have prior approval. Partial suspension is allowed in this operation.

Additional requirements include grass seeding on approximately 2.1 miles of new roads, 1.3 miles of existing roads, and 3.5 miles of firelines (100% tractor based, 0% hand line) where exposed soil exceeds 40 square feet in area.

One road is to be cleared of brush to and from Unit 1 comprising of approximately 0.6 miles as seen in green on Map Exhibit A. Trees are marked in blue to cut within the road prism. New road construction (251 feet in hot pink) is optional.

A payment for \$34,000.00 is to be paid for reforestation purposes by the final cut-and-pay date for the Contract, or within 30 days of final invoicing.

A payment for \$31,400.00 is to be paid for prescribed burning purposes by the final cut-and-pay date for the Contract, or within 30 days of final invoicing.

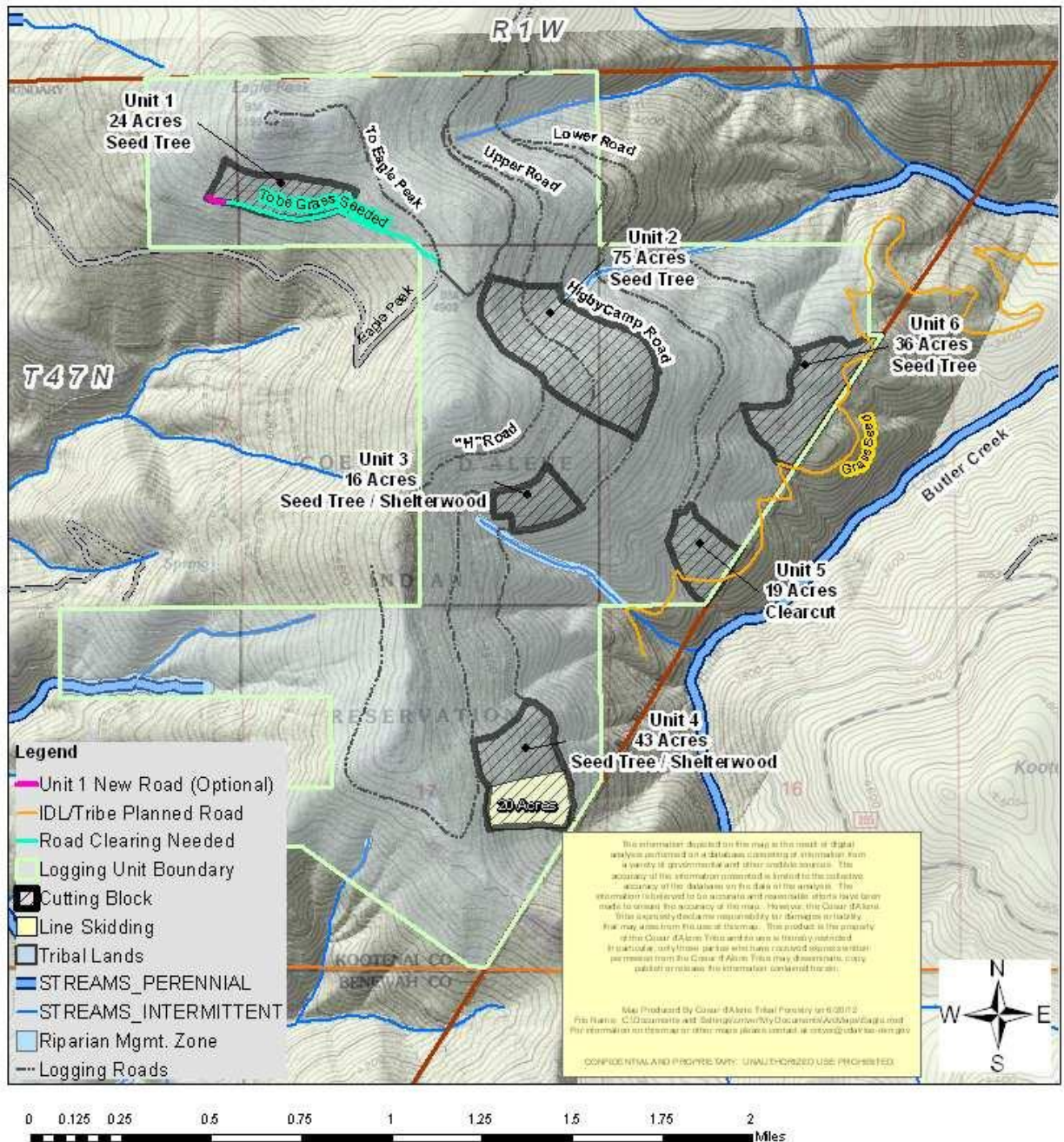
A payment for \$8,000.00 is to be paid for road easement exchange purposes by or within 30 days of signing the Contract.

### CONCLUSION

Additional Information may be obtained from Kurt Mettler at the Coeur d'Alene Tribe Forestry Department, P. O. Box 408, Plummer, ID 83851 at (208) 686-1315, Conrad M. Niver at (208) 686-1501, or at the Tribal Website at: <http://www.cdatribe-nsn.gov/natural/Forestry/forestry.aspx>



## EXHIBIT A: Chsp'a'aqhalqwtsh Logging Unit Map



Map made by C. Niver on 8/20/2012



## Exhibit B: Transportation Map

